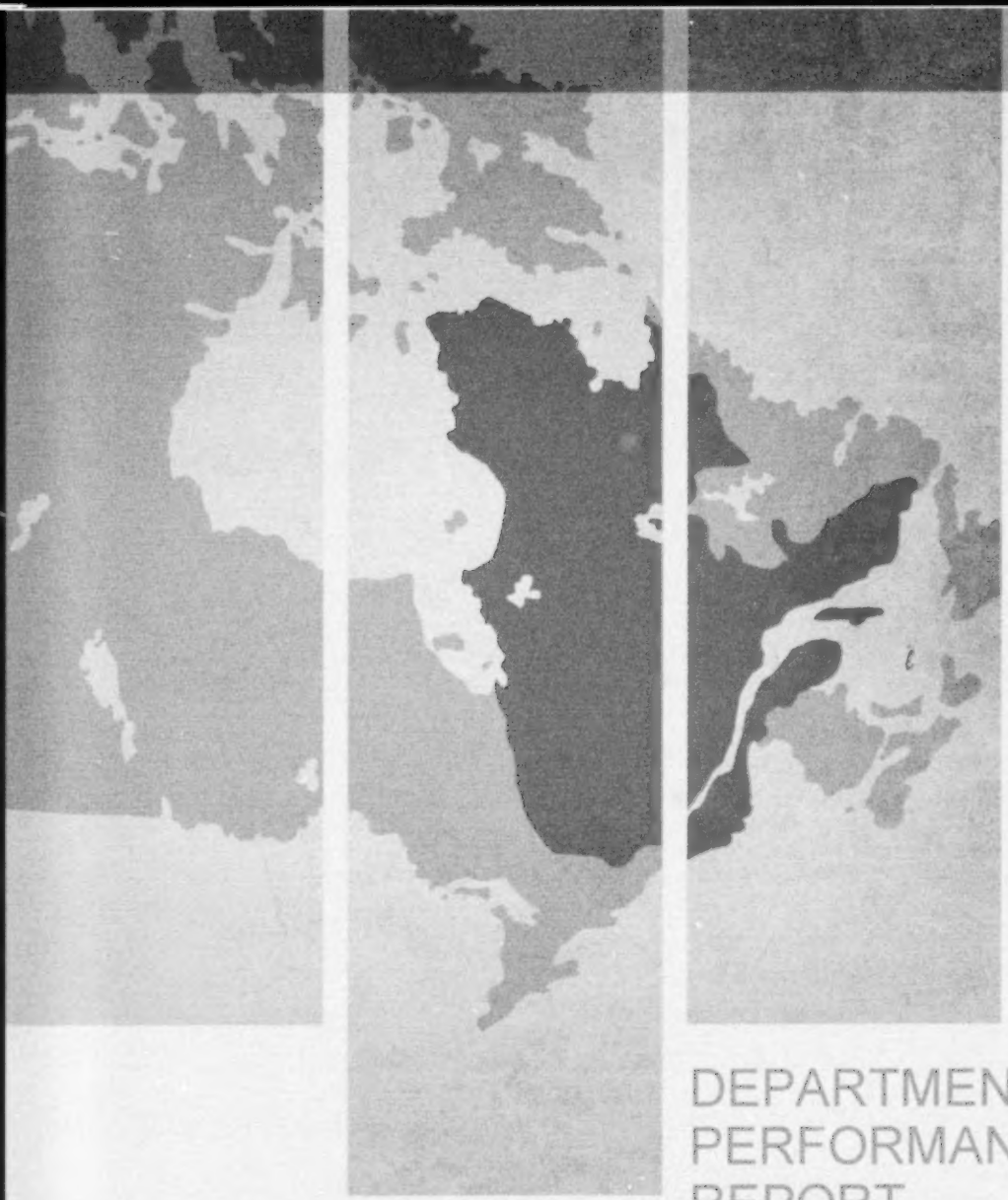

DEPARTMENTAL PERFORMANCE REPORT

Canada Economic Development for Quebec Regions

2014–15

The Honourable Navdeep Bains, P.C., M.P.
Minister of Innovation, Science and Economic Development

Canada Economic Development for Quebec Regions
Développement économique Canada pour les régions du Québec

Canada

PUBLISHED BY

Canada Economic Development
for Quebec Regions
Montreal, Quebec H3B 2T9
www.dec-ced.gc.ca

CATALOGUE Iu90-1/13E-PDF

ISSN 1490-7380

December 2015

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Ministers' Message

We are pleased to present this report on the key activities of Canada Economic Development for Quebec Regions in 2014–15.

Our overarching goals within the Innovation, Science and Economic Development portfolio are to help Canadian businesses grow, innovate and export so that they can spur economic development and create good quality jobs and wealth for Canadians in all regions across the country; to help small businesses grow through trade and innovation; to promote increased tourism to Canada; to promote and support scientific research and the integration of scientific considerations in our investment and policy choices. We are committed to working closely with colleagues and stakeholders from all of these diverse fields to achieve these objectives.

We are pleased to present the 2014-15 Departmental Performance Report for Canada Economic Development for Quebec Regions.

The Honourable Navdeep Bains
Minister of Innovation, Science and Economic Development

The Honourable Kirsty Duncan
Minister of Science

The Honourable Bardish Chagger
Minister of Small Business and Tourism

SECTION I: Organizational Expenditure Overview

1.1 Organizational Profile

Minister of Innovation, Science and Economic Development:
The Honourable Navdeep Bains, P.C., M.P.

- The Honourable Denis Lebel, P.C., M.P. (responsible Minister for 2014–15)

Minister of Science:
The Honourable Kirsty Duncan, P.C., M.P.

Minister of Small Business and Tourism:
The Honourable Bardish Chagger, P.C., M.P.

Deputy Head: Marie Lemay

Ministerial Portfolio:
Canada Economic Development for Quebec Regions

Enabling Instrument:
Economic Development Agency of Canada for the Regions of Quebec Act[1]

Year Established: 2005

[1] To consult the text of the *Economic Development Agency of Canada for the Regions of Quebec Act*, visit: http://laws-lois.justice.gc.ca/eng/acts/E-1.3/index.html.

1.2 Organizational Context

1.2.1 Raison d'être and Responsibilities

Mission

Under its Act,[2] which came into effect on October 5, 2005, the object of the Economic Development Agency of Canada for the Regions of Quebec (CED) is to "promote the long-term economic development of the regions of Quebec by giving special attention to those where slow economic growth is prevalent or opportunities for productive employment are inadequate."

Strategic Outcome

Quebec's regions have a growing economy.

Vision

Quebec regions and enterprises participate to their full potential in the economy of tomorrow, building on their respective assets.

As part of its mission, CED promotes the startup and performance of businesses. It helps them become more competitive, productive, innovative and active on markets in Canada and elsewhere. It supports communities' engagement efforts in the different regions of Quebec and helps attract investment that will increase the prosperity of the Quebec and Canadian economies.

CED thus contributes to the economic vitality of all Quebec regions, by paying special attention to communities with low economic growth, as stipulated in its enabling Act. In this respect, CED uses an Economic Development Index[3] which allows it, among other things, to determine the economic development levels of Quebec's 104 communities[4] in order to meet needs effectively.

CED works with businesses, primarily small and medium-sized enterprises (SMEs), as well as non-profit organizations (NPOs), through its business offices.[5] By providing financial assistance for projects, among other things, CED supports their development efforts.

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2 To consult the text of the *Economic Development Agency of Canada for the Regions of Quebec Act*, visit: http://laws-lois.justice.gc.ca/eng/acts/E-1.3/index.html.

3 CED's Economic Development Index consists of many variables, such as the participation rate, level of entrepreneurship, level of exporting establishments, value of building permits, diversification of the industrial structure, productivity, and more besides.

4 By "communities," CED means Quebec's 104 regional county municipalities (RCMs) and equivalent territories (ETs).

5 To consult the list of CED's business offices, visit: www.dec-ced.gc.ca/eng/contact/offices/index.html.

CED's approach is inspired by the best practices identified with respect to regional economic development.[6] It is:

- **consistent** with government priorities and national strategies in line with its object and anticipated results;
- **geared** to the economic issues and challenges of Quebec's enterprises and its different regions by building on their assets and potential; and
- **collaborative** with economic agents, such as local partners, other federal departments and agencies, the Quebec government and municipal organizations.

CED's Grants and Contributions Programs and Initiatives, in effect 2014–15[7]

Main Program:

- *Quebec Economic Development Program* (QEDP)

Targeted and/or Temporary Initiatives:

- *Economic Recovery Initiative for Lac Mégantic*
- *Canadian Economic Diversification Initiative for Communities Reliant on Chrysotile*
- *Strategic Initiative to Combat the Spruce Budworm Outbreak in Quebec* (SICSBOQ)
- *Linguistic Duality Economic Development Initiative* (EDI)

Canada-wide Program Implemented in Quebec by CED:

- *Community Futures Program* (CFP)

Infrastructure Canada's delivery partner in Quebec[8]:

- *Building Canada Fund – Quebec* (BCF)

[6] Visit CED's website: www.dec-ced.gc.ca/eng/publications/agency/strategic/2012/261/index.html.

[7] CED contributes to the design, administration or implementation in Quebec of nationwide grants and contributions (G&C) programs and temporary initiatives. For further details concerning these programs and initiatives, visit CED's website at www.dec-ced.gc.ca/eng/programs/qedp/index.html and the supplementary tables on transfer payments.

[8] For further details on this program, visit the Infrastructure Canada website: www.infrastructure.gc.ca/index-eng.html.

1.2.2 *Strategic Outcome and Program Alignment Architecture*

This report is structured according to CED's Program Alignment Architecture (PAA), which came into effect on April 1, 2012.[9] The following list presents the complete framework of CED's four programs and seven sub-programs,[10] the links among them, and the strategic outcome to which they contribute.

1. **Strategic Outcome:** Quebec's regions have a growing economy

1.1 Program: Business Development
- **1.1.1 Sub-program:** *Entrepreneurship Support*
- **1.1.2 Sub-program:** *Business Performance*

1.2 Program: Regional Economic Development
- **1.2.1 Sub-program:** *Regional Engagement*
- **1.2.2 Sub-program:** *Regional Investment*

1.3 Program: Strengthening Community Economies
- **1.3.1 Sub-program:** *Community Futures Program*
- **1.3.2 Sub-program:** *Infrastructure Modernization*
- **1.3.3 Sub-program:** *Targeted and/or Temporary Support*

1.4 Program: Internal Services

[9] Some minor, administrative changes have been made in CED's PAA since 2012.

[10] Note that a grant and contributions (G&C) program or a transfer payment program does not correspond to a program or sub program in the PAA.

1.2.3 Organizational Priorities

Priorities represent the areas on which CED has decided to focus, but do not exclude the execution of activities in other areas of the PAA. They are established on the basis of Government of Canada priorities, departmental targeted results and risks, and the economic challenges of Quebec's different regions. During FY 2014–15, CED implemented the following three priorities, which are in line with those presented in its most recent *Reports on Plans and Priorities* (RPPs):

Priority #1	Type	Link to Program
Support the maintenance and growth of businesses	Ongoing	1.1 *Business Development*
Summary of Progress		
• Because of its economic mandate, CED is central to national priorities with respect to the prosperity of regions and businesses, and job creation. • CED signed 440 new contribution agreements with regard to this priority in 2014–15, representing $171 million in approved financial assistance. This was an increase over the previous year, in volume (23%) and dollars (32%). • Financial assistance approved in support of businesses was based on: - productivity and expansion, with 250 projects for approved assistance totalling $86.4 million; - innovation and technology transfer, with 34 projects totalling $29.8 million in approved assistance; - business creation and startup, with 54 projects totalling $28.6 million in approved financial assistance; - commercialization and exports, with 91 projects totalling $23.3 million in approved assistance; and - structuring of networks, with 11 projects totalling $3.2 million in approved assistance.		

- CED contributes to the dynamism and vitality of regional economies, by paying particular attention to communities with lower growth potential.[11] In 2014–15, 32% of the assistance approved by CED with respect to business growth targeted RCMs with low potential for growth. Those communites account for 21% of Quebec's total population.

Priority #2	Type	Link to Program
Contribute to strengthening the economy of the regions and communities through targeted and/or temporary support	Ongoing (wording revised)	1.3 *Strengthening Community Economies*

Summary of Progress

In 2014–15, CED continued to engage in order to strengthen community economies, by providing communities with targeted and/or temporary support. CED implemented three priority initiatives:

1. *Canadian Economic Diversification Initiative for Communities Reliant on Chrysotile*
   - Has a budget envelope of $50 million over seven years (2013–2020);
   - Aims to accompany communities and businesses in Des Appalaches and Des Sources RCMs in their efforts to diversify and strengthen their economic base and thus increase their long-term growth potential;
   - In 2014–15, 11 projects totalling close to $7 million were approved.

2. *Economic Recovery Initiative for Lac Mégantic*
   - With a budget envelope of $35 million over seven years (2013-2020), it is divided into three components: rebuilding of the town, direct assistance to enterprises, and creation of two investment funds managed by the Mégantic-area Community Futures Development Corporation (CFDC);

[11] CED has identified 68 RCMs with slow economic growth, targeted on the basis of its Economic Development Index. For a list of these RCMs, visit: www.dec-ced.gc.ca/eng/programs/qadp/rcm.html.

- Aims to provide support for the economic recovery and rebuilding of the town in the aftermath of the rail accident of July 6, 2013;
- Deployment of a dedicated team in the field to accompany local stakeholders in their economic development efforts;
- In 2014–15, 13 projects totalling $9.6 million were approved.

3. *Strategic Initiative to Combat the Spruce Budworm Outbreak in Quebec*
   - An agreement with a $6-million envelope over four years (2014–2018) was signed with the *Société de protection des forêts contre les insectes et les maladies* (SOPFIM) to help control the spruce budworm infestation in the Bas-Saint-Laurent, Gaspésie and Côte-Nord regions;
   - Is aimed at supporting the sustainability and dynamism of the forestry sector and the health of Canada's forests, which are vital to rural communities.

Through its activities under the Quebec Economic Development Program (QEDP), CED also implemented two new initiatives to contribute to strengthening community economies:

4. *Restoration Initiative for Watercourse Crossings on Forest Multi-use Roads in Wildlife Areas*
   - The goal of this Canada-Quebec Agreement is to encourage the restoration of watercourse crossings damaged by weathering and severe storms, and to ensure the improvement, rehabilitation and maintenance of these multi-use roads in wildlife areas.
   - In 2014–15, $1.5 million was invested through this Canada-Quebec Agreement to fund projects.

5. *Local Investment Initiative*
   - CED funded projects to support local investment in all Quebec regions by encouraging the rehabilitation, improvement or expansion of existing community halls, accessible to the public on a non-commercial basis.
   - In 2014–15, 198 projects totalling $7.9 million were approved.

Priority #3	Type	Link to Program
Continue the Agency's transformation and modernization to improve its efficiency	Ongoing (wording revised)	All

Summary of Progress

In 2014–15, CED continued to simplify and modernize its processes and tools while implementing departmental and government-wide initiatives. Also, the Destination 2020 initiative allowed CED to carry out an action plan drawn up following the employee consultations held in 2013–14.

Facilitate transactions with its clientele through simplification and modernization of its processes and tools

- In 2014–15, CED adopted a step-by-step approach aimed at reviewing and simplifying its business processes with a view to generating efficiencies and facilitating transactions with its clientele. For instance, CED introduced the online application form for the QEDP and revamped its website. It also plays an active role in development of a common, government-wide management system for grants and contributions (G&C).

Generate efficiencies through implementation of CED and government-wide initiatives

- In 2014–15, CED implemented several initiatives, including common operational processes in HR, and the Directive on Performance Management. It also put in place the Cost-effective Telephone Services Initiative.

Turning the vision for 2020 into reality through implementation of tangible measures

- In 2014–15, CED maintained its commitment toward the vision for 2020, with a view to defining and building the Public Service for the future. CED's report tabled in January 2015 with the Clerk of the Privy Council showed that more than 85% of the initiatives in the action plan were in the process of being implemented or were already in effect at CED.
- CED showed its continued openness to innovation by putting in place activities that elicit creative and innovative ideas from employees.

1.2.4 Risk Analysis

The main external risk likely to affect the fulfilment of CED's mandate is linked to changes in the Quebec, Canadian and global economies.

The table below presents this risk, associated response strategies, and the link to the PAA and organizational priorities.

Corporate Risk	Risk Response Strategies	Link to PAA	Link to Priorities
External Risk			
Economic Risk and Institutional Capacity Risk that the pursuit of priorities and results expected from CED's economic development programs may be affected by the economic context	• Ongoing economic analysis, development and implementation of policies and intervention tools in response to the economic context and Government priorities (e.g., ongoing watch, special initiatives) • Establishment of intervention priorities and reallocation of resources accordingly • Implementation of the operational risk policy for grants and contributions management • Implementation of CED's visibility and outreach strategy aimed at making known its mandate and intervention priorities on a timely basis	Program 1.1: *Business Development* Program 1.2: *Regional Economic Development* Program 1.3: *Strengthening Community Economies*	# 1, 2 and 3

1.3 Actual Expenditures

This section provides an overview of financial and human resources, along with a summary table portraying CED's performance in 2014–15.

Financial Resources[12] for 2014–15 (dollars)

Total Budgetary Expenditures	Planned Spending	Total Authorities[13]	Actual Spending	Difference (Actual Minus Planned)
247,840,617	247,840,617	256,774,298	253,897,916	6,057,299

For 2014–15, CED spent $253.9 million out of a possible $256.8 million, or 99% of the authorities.

Human Resources for 2014–15 (Full-time Equivalents – FTEs)

Planned Resources	Actual Resources	Difference (Actual Minus Planned)
308	315	7

During the year, CED had to adjust in order to meet Government priorities and the challenges and issues facing Quebec enterprises and communities. In 2014–15, it approved 731 new projects, up 13% from the previous year. CED also implemented new initiatives which contribute to strengthening the economy of communities and regions through targeted and/or temporary support.

CED successfully met its commitments and priorities while remaining within its operating budget. Thus, it had to adapt the allocation of its resources as planned in the *RPP 2014–15* among the programs in its PAA. The *Strengthening Community Economies* and *Internal Services* programs were in greater demand than had been anticipated for FY 2014–15.

12 This chart includes grants and contributions expenditures, and operating expenditures.

13 Main Estimates are tabled in Parliament prior to the start of the fiscal year. Planned spending refers to expenditures published in the *Report on Plans and Priorities*, and is based on the reference level update. It comprises the Main Estimates as well as any additional authorities at the time of publication of the RPP.

Total authorities represent the sum of Main Estimates and Supplementary Estimates up to March 31, 2015. This amount corresponds to total authorities as indicated in the Public Accounts for the year ending March 31, 2015.

CED's actual spending corresponds to actual expenditures as indicated in the Public Accounts.

Table 1 – Budgetary Performance Summary for Strategic Outcome and Programs[14] (dollars)

Strategic Outcome, Programs and Internal Services	Main Estimates 2014–15	Planned Spending[15]			Total Authorities Available for Use 2014–15[16]	Actual Spending (Authorities Used)		
		2014–15	2015–16	2016–17		2014–15	2013–14	2012–13
Strategic Outcome #1: *Quebec's regions have a growing economy*								
Program 1.1: Business Development	146,609,271	146,609,271	151,677,176	140,314,211	146,499,765	146,564,462	147,594,134	130,483,270
Program 1.2: Regional Economic Development	48,507,928	48,507,928	35,237,510	32,313,130	47,945,992	34,133,620	39,132,388	44,054,296
Program 1.3: Strengthening Community Economies	38,816,648	38,816,648	53,720,902	51,673,326	46,333,260	55,328,034	64,286,545	102,808,455
Subtotal — Strategic Outcome #1	233,933,847	233,933,847	240,635,588	224,300,667	240,779,017	236,026,116	251,013,067	277,346,021
Subtotal — Internal Services	13,906,770	13,906,770	20,446,605	20,314,530	15,995,281	17,871,800	18,292,750	19,083,325
TOTAL	247,840,617	247,840,617	261,082,194	244,615,197	256,774,298	253,897,916	269,305,817	296,429,346

[14] This chart includes grants and contributions expenditures, operating expenditures and statutory items. Internal services include only operating expenditures and statutory items.

[15] The $13.2M difference observed between FYs 2014–15 and 2015–16 is primarily attributable to the reprofiling of funds in 2015–16 for the *Economic Recovery Initiative for Lac Mégantic*, allocation of funding for the *Strategic Initiative to Combat the Spruce Budworm Outbreak in Quebec*, and an increase in repayable contributions collected from our clients in 2015–16.

The difference between FYs 2015–16 and 2016–17 is attributable to the reinvestment of clients' repayable contributions in the 2015–16 contributions budget, which is not included in planned spending for 2016–17, since the authority has not been granted at this stage.

[16] Main Estimates are tabled in Parliament prior to the start of the fiscal year. Planned spending refers to expenditures published in the *Report on Plans and Priorities*, and is based on the reference level update. It comprises the Main Estimates as well as any additional authorities at the time of publication of the RPP.

Total authorities represent the sum of Main Estimates and Supplementary Estimates up to March 31, 2015. This amount corresponds to total authorities as indicated in the Public Accounts for the year ending March 31, 2015.

CED's actual spending corresponds to actual expenditures as indicated in the Public Accounts.

Spending Analysis by PAA Program

For FY 2014–15, CED's total grants and contributions expenditures and operating expenditures stood at $253.9 million. Of that, $212.2 million was invested in G&C in projects aimed at economic development. The balance of $41.7 million was used for operations.

a. Performance of PAA programs, excluding Internal Services

Table 1 shows that CED's actual spending for 2014–15, aside from expenditures associated with its Internal Services, reached $236 million, thus accounting for 92.9% of its total actual spending. This broke down among CED's PAA programs as follows:

- 62% for *Business Development*;
- 15% for *Regional Economic Development*; and
- 23% for *Strengthening Community Economies.*

In view of the Government's budget cycle, the variance observed between CED's actual and planned spending in 2014–15 in the *Strengthening Community Economies* program is attributable to the fact that, when the *RPP 2014–15* was released, the yearly budgets were not known for certain temporary grants and contributions programs, such as the *Economic Recovery Initiative for Lac Mégantic* and the *Strategic Initiative to Combat the Spruce Budworm Outbreak in Quebec*.

Also, CED's programs are flexible so as to adjust continually to the challenges and issues of Quebec's enterprises and different regions. This was reflected in 2014–15 in the implementation of temporary initiatives and an increase in business volume which required resource adjustments, in line with applicable statutes, policies and regulations. The variance between CED's forecasts and its actual spending among PAA programs is also attributable to the nature and type of projects submitted by promoters and reflects local needs with regard to economic development. In fact, the design and implementation of projects supported by CED depend on local and regional enterprises and stakeholders. As a result, there is considerable interdependence among the economic context, the dynamism of all the agents involved, and CED's results.

b. Performance of Internal Services

CED's actual spending in 2014–15 in the *Internal Services* program of its PAA stood at $17.9 million. Consequently, the relative share of Internal Services out of CED's total expenditures was 7.0% in 2014–15.

1.4 Alignment of Spending With the Whole-of-Government Framework

2014–15 Spending by Whole-of-Government Framework Spending Area[i] (dollars)

Strategic Outcome	Programs	Spending Area	Government of Canada Outcome	Actual Spending
Quebec's regions have a growing economy	1.1 Business Development	Economic Affairs	Strong economic growth	$146,564,462
	1.2 Regional Economic Development	Economic Affairs	Strong economic growth	$34,133,620
	1.3 Strengthening Community Economies	Economic Affairs	Strong economic growth	$55,328,034
	1.4 Internal Services	Economic Affairs	Strong economic growth	$17,871,800

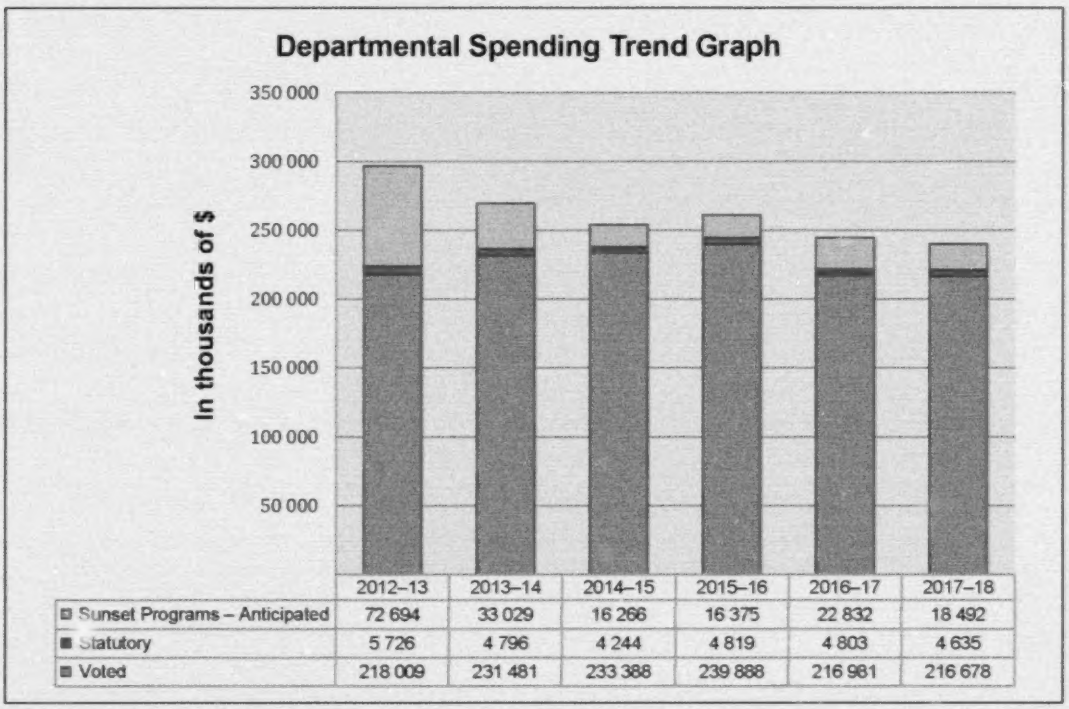
Total Spending, 2014–15, by Spending Area (dollars)

Spending Area	Total Planned Spending
Economic Affairs	$247,840,617
Social Affairs	N/A
International Affairs	N/A
Government Affairs	N/A

1.5 Departmental Spending Trend

The figure below shows CED's actual and planned spending trend. The light grey bar corresponds to G&C expenditures and operating expenditures under its regular programs,[17] while the dark grey bar indicates those associated with sunset programs.[18]

Figure 1: Actual Spending[19] and Planned Spending[20] Trend, April 1, 2012 to March 31, 2018



	2012–13	2013–14	2014–15	2015–16	2016–17	2017–18
Sunset Programs – Anticipated	72 694	33 029	16 266	16 375	22 832	18 492
Statutory	5 726	4 796	4 244	4 819	4 803	4 635
Voted	218 009	231 481	233 388	239 888	216 981	216 678

Figure 1 presents actual spending from 2012–13 to 2014–15, and planned spending from 2015–16 to 2017–18.

With regard to actual expenditures, the figure above shows a 14% drop in CED's spending between 2012–13 and 2014–15, from $296 million to $254 million. The largest decline was from 2012–13 to 2013–14. The variation may be explained by, among other things, the termination of the *Temporary Initiative for the Strengthening of Quebec's*

17 CED's programs are the *Quebec Economic Development Program* (QEDP) and the *Community Futures Program* (CFP).

18 CED's sunset programs between April 1, 2012 and March 31, 2018 include: *Temporary Initiative for the Strengthening of Quebec's Forest Economies*, *Community Infrastructure Improvement Fund*, *Initiative for International Cruise Development*, *Economic Recovery Initiative for Lac Mégantic*, *Strategic Initiative to Combat the Spruce Budworm Outbreak in Quebec*, and *Canadian Initiative for the Economic Diversification of Communities Reliant on Chrysotile*.

19 Actual spending covers the period from 2012–13 to 2014–15.

20 Planned spending covers the period from 2015–16 to 2017–18.

Forest Economies (TISQFE) and the *Support Initiative for International Cruise Development Along the St. Lawrence and Saguenay Rivers*. The decline in sunset program budgets from 2013–14 to 2014–15 is largely attributable to the termination of the *Community Infrastructure Improvement Fund* program.

With respect to CED's planned spending, the $7-million rise in expenditures from 2014–15 ($233.4 million) to 2015–16 ($240 million) is primarily attributable to increased reinvestment of revenues from clients' contribution repayments. The same adjustment is not included in planned spending for 2016–17 and 2017–18, since the authorities have not been granted at this stage.

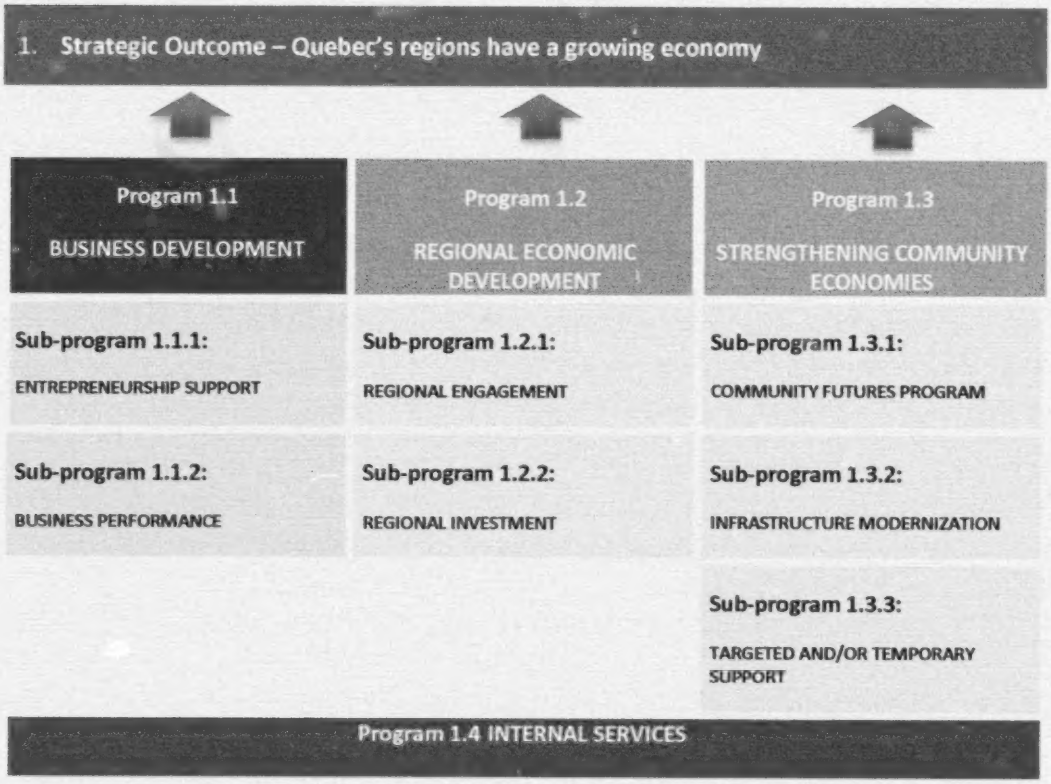
The variation in CED's sunset programs from 2015–16 to 2017–18 is explained by the variability in funding levels from year to year for the various planned initiatives, including in particular the *Economic Recovery Initiative for Lac Mégantic* and the *Canadian Initiative for the Economic Diversification of Communities Reliant on Chrysotile*.

1.6 Expenditures by Vote

For information on CED's voted appropriations and/or statutory expenditures, please consult the *Public Accounts of Canada 2015*[ii] on the Public Works and Government Services Canada website.[iii]

SECTION II: Analysis of Programs by Strategic Outcome

This section provides information on the results of the Economic Development Agency of Canada for the Regions of Quebec (CED) for 2014–15 in relation to planned outcomes, on the basis of its Program Alignment Architecture (PAA), as illustrated below.[iv]



2.1 Strategic Outcome (SO): Quebec's regions have a growing economy

Overall Performance Measurement

CED Overall Results	Performance 2014–15		
Total number of projects supported[21]	1,083 projects supported		
Total number of projects approved[22]	731 projects approved		
Total actual spending	$212.2 million		
Leverage effect[23]	$2.88 for each dollar invested by CED		
SO Performance Indicators	**Targets**	**Actual Results[24]**	**Attainment Date**
Number of administrative regions of Quebec that increased their gross domestic product	17	N/A	April 1, 2017
Percentage of Quebec communities[25] having improved their economic performance[26]	65%	N/A	April 1, 2017

21 The total number of projects supported corresponds to projects for which expenditures were made by CED during a given period. The above result excludes projects associated with the *Infrastructure Modernization* sub-program.

22 The total number of projects approved corresponds to projects newly approved by CED over a given period. Projects associated with the *Infrastructure Modernization* sub-program are reflected in Infrastructure Canada's *Departmental Performance Report*.

23 The leverage effect compares financial assistance approved by CED with funding from promoters and other sources. The above result excludes funding associated with the *Infrastructure Modernization* sub-program.

24 Not applicable. In line with CED's *Performance Measurement Framework* (PMF), performance indicators concerning the organization's strategic outcome are monitored and measured every five years. These data will be available on April 1, 2017.

25 By "communities," CED means Quebec's 104 regional county municipalities (RCMs) and equivalent territories (ETs).

26 Measured by the progression of the economic variables in CED's Economic Development Index (e.g., participation rate, level of entrepreneurship and exporting establishments, value of building permits, productivity, etc.).

Performance Analysis

For FY 2014–15, CED's overall performance was positive. Indeed, it contributed to the economic prosperity and growth of Quebec's regions.

CED makes a difference in the regions of Quebec through its action

- Between April 1, 2014 and March 31, 2015, CED invested $212.2 million directly in enterprises or through non-profit organizations (NPOs), for the implementation of 1,083 projects.
- More than 9,843 enterprises in all regions of Quebec in 2014–15 received support directly from CED or through an NPO assisted by CED.
- Each dollar spent by CED in 2014–15 generated $2.88 in investment in the regions, more than its leverage effect posted in 2013–14 ($2.62).

CED fosters the advancement in Quebec of Canada-wide strategies and regional priorities with respect to economic development

- CED approved 731 new projects, up 13% from the previous year.
- CED implemented initiatives which enabled it to provide targeted and/or temporary support for vulnerable communities: the *Canadian Economic Diversification Initiative for Communities Reliant on Chrysotile*, the *Economic Recovery Initiative for Lac Mégantic*, and the *Strategic Initiative to Combat the Spruce Budworm Outbreak in Quebec*.
- Through its activities under the *Quebec Economic Development Program* (QEDP), CED drew up and implemented new initiatives to foster economic activity and generate investment in Quebec's regions: the *Local Investment Initiative*, and the *Restoration Initiative for Watercourse Crossings on Forest Multi-use Roads in Wildlife Areas*.
- CED also fostered the growth of English-speaking communities (i.e., official language minority communities in Quebec) by paying them $1.7 million within the framework of 12 Linguistic Duality Economic Development Initiative (EDI) projects.
- CED organized Quebec's first Symposium on the Canadian Defence and Security Market, which brought together in Montreal 17 prime contractors along with representatives of 177 enterprises and organizations. The activity helped promote Quebec enterprises' capabilities with a view to maximizing the spinoffs generated in

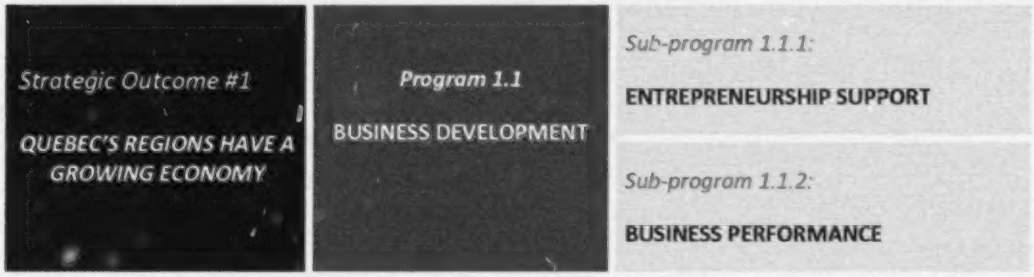
Quebec by the Government of Canada's major procurement projects, in particular projects associated with marine, air and land transportation equipment.[27]

CED is transforming itself and modernizing its procedures to serve its clients more effectively

- CED continued to modernize its procedures, building on the simplification and modernization of its processes and tools. For instance, it set up tools for processing online applications for the QEDP. Also, CED plays an active role in development of a common, government-wide management system for grants and contributions (G&C).
- CED worked closely with the other regional development agencies to generate efficiencies, collaborate in different areas of activity, and share expertise and best practices

[27] This involves CED's efforts in connection with the Industrial and Technological Benefits (ITB) Policy. For further information on the Policy, please consult: www.dec-ced.gc.ca/eng/services/itb/index.html.

2.2 Program 1.1 – *Business Development*



Description

This program (P) is designed to support enterprises throughout their life cycle so as to sustain Quebec's economic growth. Businesses, small and medium-sized enterprises (SMEs) in particular, are an engine of economic development. They are recognized as generating a significant share of economic activity and creating employment in communities.

The Economic Development Agency of Canada for the Regions of Quebec (CED) contributes to the renewal of the pool of enterprises in Quebec by supporting the emergence of new enterprises and business succession. CED also works to increase the competitiveness of existing enterprises and support their survival by enhancing their performance. It does so by supporting projects that enable enterprises to modernize, expand, launch or extend their export activities, reinforce their innovation capability, commercialize, and establish partnerships.

In this program, CED intervenes primarily in relation to enterprises, either directly or through non-profit organizations providing support for enterprises and entrepreneurs. It promotes business development through a grants and contributions program, the *Quebec Economic Development Program* (QEDP).

Program Financial Resources,[28] 2014–15 (dollars)

Main Estimates	Planned Spending	Authorities	Actual Spending	Difference (Actual Minus Planned)
146,609,271	146,609,271	146,499,765	146,564,462	-44,809

[28] This chart includes grants and contributions expenditures, and operating expenditures.

Program Human Resources,[29] 2014–15 (Full-time Equivalents – FTEs)

Planned	Actual	Difference (Actual Minus Planned)
143	121	-22

Program Performance Measurement, 2014–15

Program 1.1: Business Development			
Overall Results	Performance		
Number of projects supported[30] Actual spending Share of CED's G&C spending	743 projects $131.7 million 62%[31]		
Expected Final Results[32]	Performance Indicators	Three-year Targets	Cumulative Results[32]
The pool of enterprises in Quebec is renewed	Rate of survival[33] of businesses supported in their startup	55%	84%
	Rate of survival of businesses supported in their transfer	—	N/A[34]
Quebec enterprises are competitive	Rate of survival of businesses supported in their development	75%	96%

[29] The difference between actual and planned use of FTEs is attributable to the adjustment of resource allocation among the programs in CED's PAA as stated in the *Report on Plans and Priorities* (RPP) in 2014–15. The *Strengthening Community Economies* program was in greater demand in 2014–15 than had been anticipated.

[30] The total number of projects supported corresponds to projects for which expenditures were made by CED during a given period.

[31] This percentage excludes operating expenditures.

[32] See supplementary tables: *Appendix 1 – Technical Notes on Performance Data*.

The results targets for these indicators are cumulative and were set as at March 31, 2015. The results are therefore cumulative, and cover the period from 2012–13 to 2014–15. (See supplementary tables: *Appendix 1 – Technical Notes on Performance Data*.) Also, these targets were adjusted upward in the *RPP 2015–16* to reflect more accurately the survival rate of enterprises supported by CED.

[33] Survival rates for businesses are measured three years after funding from CED ends.

[34] No direct assistance was awarded in 2014–15 for business succession and transfer projects, but CED supported enterprises in succession and transfer mode through the *Business Performance* sub-program. This indicator has been withdrawn from the 2015–16 Performance Management Framework.

Performance Analysis and Lessons Learned

CED's performance in 2014–15 in the *Business Development* program exceeded expectations. In that regard, Statistics Canada's study on net impact supported these results, and confirmed that the cumulative survival rate of all cohorts shows that, five years after receiving funding, CED's clients post a survival rate 7.8 percentage points higher than non-clients.

CED's intervention in this program is identified as an organizational priority in 2014–15, and involves supporting the maintenance and growth of businesses. CED thus contributed to renewing the pool of enterprises and enhancing the competitiveness of existing enterprises:

- It invested $118.5 million to support implementation of 629 projects to boost enterprises' growth.
- 84% of enterprises receiving startup support were still in operation three years after the termination of the funding awarded.
- 96% of enterprises assisted in their development efforts were still in operation three years after funding ended.

2.2.1 Sub-program 1.1.1 – *Entrepreneurship Support*

Description

This sub-program (SP) is aimed at increasing the pool of enterprises in Quebec, where entrepreneurial dynamism is lower than in the rest of Canada.[36] CED hopes to boost entrepreneurial dynamism throughout Quebec. It does so by encouraging business pre-startups and startups, and by supporting the survival of existing enterprises through succession planning and business transfers.

In this sub-program, CED provides support primarily to enterprises or non-profit organizations that support enterprises and entrepreneurs, such as entrepreneurship centres, incubators, and transfer and spinoff organizations. It contributes to entrepreneurship support through its grants and contributions program, the QEDP.

Sub-program Financial Resources,[37] 2014–15 (dollars)

Planned Spending	Actual Spending	Difference (Actual Minus Planned)
21,991,391	21,984,669	-6,722

Sub-program Human Resources, 2014–15 (Full-time Equivalents – FTEs)

Planned Resources	Actual Resources	Difference (Actual Minus Planned)
21	20	-1

[36] Fondation de l'entrepreneurship (2014), *Indice entrepreneurial québécois : Qu'est-ce qui motive nos jeunes à faire le grand saut? (Quebec's entrepreneurial index: What motivates our young people to take the plunge?*, http://www.entrepreneurship.qc.ca/recherches-et-analyses/indice-entrepreneurial-quebecois/indice-entrepreneurial-quebecois-2014

"The percentage of the population expressing their intention of one day creating a new enterprise or taking on an existing one was 19.1% in Quebec and 27.6% in the rest of Canada in 2014."

[37] This chart includes grants and contributions expenditures, and operating expenditures.

Sub-program Performance Measurement, 2014–15

Expected Result	Performance Indicators	Targets	Results
Sub-program 1.1.1: *Entrepreneurship Support*			
Enterprises are started up or transferred	Percentage of enterprises started up	25%[38]	43%
	Percentage of enterprises transferred	—	N/A[39]

Performance Analysis and Lessons Learned
For FY 2014–15, CED fostered business growth and maintenance, one of its priorities, by focussing on projects to create and start up new enterprises. CED considers that it fostered renewal of the pool of enterprises in Quebec during 2014–15. It supported the implementation of 114 projects to stimulate the creation of enterprises. CED's financial assistance in entrepreneurship amounted to $13.2 million. CED thus contributed to the fact that 43% of enterprises supported had started up[40] in Quebec, thereby surpassing its target. As to the percentage of enterprises transferred, CED's support is provided in particular for productivity and expansion projects in the *Business Performance* sub-program.

38 The target from the *RPP 2015–16* has been raised to reflect the upward trend in renewal of the pool of enterprises in Quebec.

39 No direct assistance was awarded for business succession and transfer projects, but CED supported enterprises in succession and transfer mode through the *Business Performance* sub-program.

40 An enterprise has started up when it has been in operation for at least one year and is generating income amounting to at least 80% of its expenditures.

2.2.2 Sub-program 1.1.2 – *Business Performance*

Description

The goal of this sub-program (SP) is to increase Quebec enterprises' performance and competitiveness. The productivity of the Quebec economy is lower than the average for the rest of Canada,[41] and productivity gains can be achieved among other things through investment carried out by Quebec enterprises.

In fact, in the context of growing global competition, Quebec enterprises wishing to develop or ensure their survival have to innovate and convert their ideas into business opportunities, enhance their productivity and penetrate new markets.

CED accompanies enterprises from the different regions of Quebec to help them meet these challenges. It does so by encouraging them to invest to optimize their production and increase their efforts with respect to innovation, technology transfer, commercialization and exports. CED also assists in the structuring of business networks in which enterprises operate.

CED's intervention in this sub-program is aimed primarily at enterprises and non-profit organizations that support enterprises. It helps business performance through a grants and contributions program, the QEDP.

Sub-program Financial Resources,[42] 2014–15 (dollars)

Planned Spending	Actual Spending	Difference (Actual Minus Planned)
124,617,880	124,579,793	-38,087

[41] Centre sur la productivité et la prospérité, HEC Montréal (2014), *Productivity and Prosperity in Quebec: 2014 Overview* http://cpp.hec.ca/en/category/publications/productivity-and-prosperity-in-quebec/

Labour productivity, which measures the value of the wealth created per hour worked, was $55.40 in Quebec and $61.44 in Canada in 2013. Average annual labour productivity growth was 1.04% in Quebec and 1.18% in Canada between 1981 and 2013.

[42] This chart includes grants and contributions expenditures, and operating expenditures.

Sub-program Human Resources,[43] 2014–15 (Full-time Equivalents – FTEs)

Planned Resources	Actual Resources	Difference (Actual Minus Planned)
122	101	-21

Sub-program Performance Measurement, 2014–15

Expected Result	Performance Indicator	Target	Actual Result
Sub-program 1.1.2: Business Performance			
Enterprises improve their performance	Percentage of coached businesses that maintained or increased their sales figures or self-generated income[44]	65%	65%

Performance Analysis and Lessons Learned

CED's performance in the *Business Performance* sub-program fulfilled expectations. During 2014–15, CED supported 629 projects, investing $118.5 million to sustain the prosperity and competitiveness of Quebec enterprises.

CED intervenes directly with enterprises, and also reaches them indirectly, via NPOs. Through its action, CED contributed in 2014–15 to the development of more than 7,615 enterprises. Of that number:

- 1,891 enterprises received direct or indirect support in their productivity and expansion projects;
- 1,645 enterprises received direct or indirect support in innovation and technology transfer;
- 3,482 enterprises received direct or indirect support in exports and commercialization; and
- 590 enterprises received direct or indirect support in structuring of networks.[45]

[43] The difference between CED's actual and planned use of FTEs is attributable to the adjustment of resource allocation among the programs in its PAA as stated in the *RPP 2014–15*. The *Strengthening Community Economies* program was in greater demand in 2014–15 than had been anticipated.

[44] With a view to improving the quality and reliability of performance data, the indicators on sales and self-generated revenue have been merged. CED made this correction in its *Performance Management Framework 2014–15*.

[45] The term "structuring" is used to mean a network bringing together all the stakeholders which decides to acquire a governance structure to develop planned, concerted action on the strategic issues that concern them.

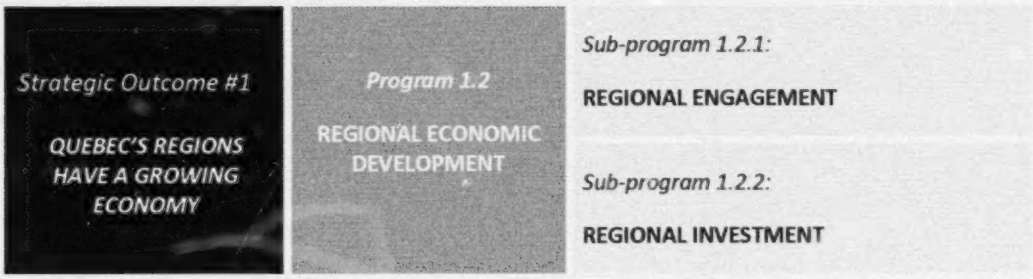
CED continued its support for the two Canada Business Network service centres in Quebec, Info entrepreneurs in Montreal and Ressources entreprises in Quebec City, which provide information and referral services to guide entrepreneurs to specialized resources. In 2014–15, these centres responded to 23,280 information requests. CED's financial support through its operating budget represents $1.9 million in total investment.

Also, 65% of the enterprises receiving support from CED in their projects to improve their performance saw their sales or self-generated revenue increase. More specifically, this proportion is:

- 67% for enterprises having carried out productivity and expansion projects;
- 64% for enterprises having carried out innovation and technology transfer projects; and
- 58% for enterprises having carried out commercialization and exports projects.

Furthermore, Statistics Canada's study[vii] on net impact confirms that assistance from CED increases enterprises' chances of success. From the first years following CED funding, enterprises receiving assistance average higher revenue growth, employment levels and productivity than the control group of comparable enterprises.

2.3 Program 1.2 – *Regional Economic Development*



Description

This program (P) is intended to strengthen the regions' economic base so as to sustain the growth of Quebec's economy. Quebec's regions differ in, among other things, their industrial structure, and some are more sensitive to economic fluctuations. Quebec's prosperity depends on the participation of the different regions in the economy to their full potential.

CED wishes to contribute to building strong, competitive regions. It does so by supporting local communities as they take charge of their economic development, and by stimulating investment in all Quebec regions.

In this program, CED intervenes primarily through non-profit organizations active in economic development. It supports regional economic development through a grants and contributions program, the QEDP.

Program Financial Resources,[46] 2014–15 (dollars)

Main Estimates	Planned Spending	Total Authorities Available for Use	Actual Spending	Difference[47] (Actual Minus Planned)
48,507,929	48,507,929	47,945,992	34,133,620	-14,374,309

[46] This chart includes grants and contributions expenditures, and operating expenditures.

[47] The difference of approximately $14M is attributable to the fact that part of the funding originally provided for was used instead to fund initiatives under the *Strengthening Community Economies* program, such as the implementation of priority activities to fund projects for upgrading local facilities, the *Economic Recovery Initiative for Lac Mégantic*, and the *Restoration Initiative for Watercourse Crossings on Forest Multi-use Roads in Wildlife Areas*.

Program Human Resources,[48] 2014–15 (Full-time Equivalents – FTEs)

Planned Resources	Actual Resources	Difference (Actual Minus Planned)
16	20	4

Program Performance Measurement, 2014–15

Program 1.2: Regional Economic Development			
Overall Results	**Performance**		
Number of projects supported Actual spending Share of CED's G&C spending	103 projects $32 million 15%		
Expected Final Result	**Performance Indicators**	**Three-year Targets**	**Cumulative Results[49]**
Quebec regions have a stronger economic base	Total amount of investment generated in regions supported that completed the implementation of their development project[50]	$90M	$64.2M[51]
	Amount of spending by tourists from outside Quebec attracted to the regions supported	$9B	$10.2B
	Amount of foreign direct investment maintained in or attracted to the regions supported	$1.8B	$3.7B

[48] Renewal of all the multi-year agreements with tourism and sectoral associations, several NPOs, and recurring major festivals meant that additional resources were needed in the Promotion of Assets component in 2014–15 compared with previous years.

[49] Targets are cumulative and were set as at March 31, 2015. Results are therefore cumulative, and cover the period from 2012–13 to 2014–15.

[50] See supplementary tables: *Appendix 1 – Technical Notes on Performance Data.*

[51] The result achieved was below the performance expected ($90M). The difference is attributable to the smaller number of projects completed in 2014–15 in line with CED's priorities (only five new projects in 2014–15, compared with a total of 41 projects for the previous two years), for a lower total cost (average of $450,000 in 2014–15, compared with $1.5M for the previous two years).

Performance Analysis and Lessons Learned

The performance obtained in 2014–15 under the *Regional Economic Development* program partially meets expectations, and indicates that CED's intervention is in line with its priorities.

During FY 2014–15, CED placed greater emphasis on its two priorities, supporting the maintenance and growth of businesses, as well as contributing to strengthening the economies of communities and regions through targeted and/or temporary support. It thus reallocated its resources in the *Strengthening Community Economies* program.

During 2014–15, CED invested $32 million in 103 projects to strengthen the economic base of Quebec's regions.

CED contributed to creating new opportunities in Quebec regions by building on their respective assets. Since April 1, 2012, CED and its project-partner fund providers generated $64.2 million[52] in the regions by encouraging local communities to carry out their projects and acquire the community economic facilities necessary for their development.

CED also contributed to attracting tourists to the different regions of Quebec from other provinces and outside Canada. The latest data[53] show that tourists spent $3.5 billion in Quebec in 2013, up slightly from 2012 ($3.4 billion). CED has exceeded the cumulative goal of $9 billion that it set for March 31, 2015.

CED fostered the attraction of investment from foreign firms and international agencies. Since 2012–13, it has contributed to attracting $3.7 billion in investment, thus surpassing its goal set for March 31, 2015. This performance is attributable to the establishment and expansion in Greater Montreal of several subsidiaries of foreign corporations. This foreign direct investment was primarily concentrated in high-technology industries, thus supporting the region's productivity and competitiveness.[54]

52 The cumulative result for the target is $64.2M calculated over the period from April 1, 2012 to March 31, 2015.

53 Tourisme Québec, *Les plus récentes données sur le tourisme au Québec (dernière mise à jour : 17 juin 2015) (Latest Data on Tourism in Quebec [Latest update: June 17, 2015])* www.tourisme.gouv.qc.ca/p[illegible]lications/categorie/plus-recentes-donnees-tourisme-quebec-143.html.

54 Montreal International (2014), *2014 Activity Report* www.montrealinternational.com/en/publications/2014-activity-report and Quebec International (2014), *2014 Annual Report* www.quebecinternational.ca/about-us/publications/?lang=en.

2.3.1 Sub-program 1.2.1 – *Regional Engagement*

Description

This sub-program (SP) is aimed at supporting local communities as they take charge of their development so as to strengthen the economic base of Quebec's regions. Local empowerment with regard to local economic development and the synergy with which stakeholders interact are success factors in eliciting the establishment of growth-generating projects.

CED sustains the growth and diversification of Quebec communities by supporting engagement and joint action by the various stakeholders, planning of their economic development, canvassing, pursuit of funding and implementation of structuring, recovery or diversification initiatives.

In this sub-program, CED intervenes primarily through non-profit organizations with an economic role. It supports *Regional Engagement* through a grants and contributions program, the QEDP.

Sub-program Financial Resources,[55] 2014–15 (dollars)

Planned Spending	Actual Spending	Difference (Actual Minus Planned)
4,850,793	3,413,362	-1,437,431

Sub-program Human Resources, 2014–15 (Full-time Equivalents – FTEs)

Planned Resources	Actual Resources	Difference (Actual Minus Planned)
8	4	-4

[55] This chart includes grants and contributions expenditures, and operating expenditures.

Sub-program Performance Measurement, 2014–15

Expected Result	Performance Indicator	Target	Result
Sub-program 1.2.1: Regional Engagement			
Communities take charge of their economic development	Percentage of communities supported which implement mobilization projects[56]	40%	29%

Performance Analysis and Lessons Learned
In order to meet communities' needs, in line with its priorities, CED concentrated its intervention on the *Business Development* and *Strengthening Community Economies* programs, thereby supporting a large number of communities, to boost their economies and foster their development. Information on the performance of these programs may be found in the sections of the Report dedicated to them. CED approved three new projects aimed at regional engagement in 2014–15. Also, CED continued its financial support for communities by investing $3.1 million in 24 previously approved projects falling under *Regional Engagement*. Under this sub-program, CED also supports the implementation of recovery and diversification plans and of projects stemming from those plans. Thus, of the 14 communities receiving financial support from CED in 2014–15 for projects aimed at their engagement and development, four implemented projects arising from planning, or 29% of the communities supported.

[56] See supplementary tables: *Appendix 1 – Technical Notes on Performance Data.*

2.3.2 Sub-program 1.2.2 – *Regional Investment*

Description

This sub-program (SP) is aimed at increasing investment in the different regions of Quebec so as to strengthen their economic activity base. Quebec's regions are faced with global competition, and have to stand out to attract investment needed to maximize their economic growth.[57]

Quebec must build on its current strengths, such as access to the North American market, a diversified economy, niches of excellence, skilled workers, an enviable quality of life, abundant resources, a distinctive tourism offering, and more besides.

CED supports regions in their efforts to acquire the equipment necessary to harness their assets in order to stimulate business and generate economic spinoffs. It also does so by enhancing promotion of regional assets with a view to increasing tourist spending and the attraction of foreign direct investment through foreign firms and international organizations.

In this sub-program, CED focusses on non-profit organizations. It supports *Regional Investment* through a grants and contributions program, the QEDP.

Sub-program Financial Resources,[58] 2014–15 (dollars)

Planned Spending	Actual Spending	Difference[59] (Actual Minus Planned)
43,657,136	30,720,258	-12,936,878

[57] Centre sur la productivité et la prospérité, HEC Montréal (2010), *Ouverture aux investissements directs étrangers et productivité au Canada (Openness to Foreign Direct Investment and Productivity in Canada)*.

[58] This chart includes grants and contributions expenditures, and operating expenditures.

[59] The difference between actual and planned spending is attributable to the fact that part of the funding originally provided for was used instead to fund initiatives under the *Strengthening Community Economies* program.

Sub-program Human Resources, 2014–15 (Full-time Equivalents – FTEs)

Planned Resources	Actual Resources	Difference[vi] (Actual Minus Planned)
8	16	8

Sub-program Performance Measurement, 2014–15

Expected Result	Performance Indicators	Targets	Results
Sub-program 1.2.2: *Regional Investment*			
Quebec regions attract investment	Percentage of communities supported which implement community economic facility projects	75%	100%
	Number of tourists from outside Quebec attracted to the regions	5.9M	6.5M
	Number of international organizations and foreign enterprises maintained, in expansion or attracted to the regions supported	30	50

Performance Analysis and Lessons Learned

In 2014–15, performance in the *Regional Investment* sub-program exceeded expectations. CED contributed to the competitive positioning of the different regions of Quebec, to help them become more attractive and open to the world. It funded 79 projects, to the tune of $28.9 million, to stimulate different forms of investment in Quebec.

In that regard, the *Project to Implement the Eeyou Istchee Broadband Communications Network (ECN) Case Study*[vii] concluded that specific and targeted programs are necessary to support remote areas in their growth-generating projects.

In this sub-program, CED supports, in particular, the planning and implementation of community economic facility projects. Thus, the four communities which received financial support from CED in 2014–15 for community economic facility projects

[vi] Renewal of all the multi-year agreements with tourism and sectoral associations, several NPOs, and recurring major festivals meant that additional resources were needed in the Promotion of Assets component in 2014–15 compared with previous years. The sums associated with these new projects will primarily be spent beginning in 2015–16.

carried out projects stemming from planning (100% of the communities supported).

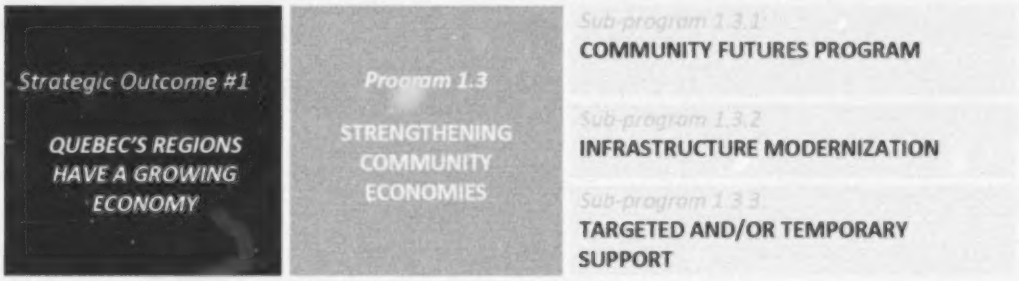
CED also fostered the international outreach of Quebec's regional economic assets. It supported the commercialization of destinations or major events, such as festivals, to increase the number of tourists visiting and generate economic spinoffs within communities. According to the latest data,[61] an average of some 6.5 million tourists a year from outside Quebec visited the province's different regions.

CED contributed, through Montreal International and Quebec International, to maintaining in or attracting to Quebec 50 foreign firms and international organizations in 2014–15.[62]

[61] Tourisme Québec, *Les plus récentes données sur le tourisme au Québec (dernière mise à jour : 17 juin 2015) (Latest Data on Tourism in Quebec [Latest update: June 17, 2015])* www.tourisme.gouv.qc.ca/publications/categorie/plus-recentes-donnees-tourisme-quebec-143.html.

[62] Montreal International (2014), *2014 Activity Report* www.montrealinternational.com/en/publications/2014-activity-report and Quebec International (2014), *2014 Annual Report* www.quebecinternational.ca/about-us/publications/?lang=en.

2.4 Program 1.3 – *Strengthening Community Economies*



Description

In addition to its regular programs, CED develops, administers and implements Canada-wide programs or targeted and/or temporary initiatives. The common objective is strengthening community economies, in order to increase Quebec's economic growth.

CED thus supports communities' economic development and ensures sound, effective management of infrastructure programs in Quebec. CED also supports economic activity in Quebec communities that are sustaining economic shocks, experiencing significant development challenges, or grasping long-term business opportunities.

This program is directed at enterprises and non-profit organizations. CED uses dedicated, temporary or permanent additional funding from the Government of Canada, or specific funds which it allocates via the QEDP. It also intervenes by means of a permanent fund dedicated to the *Community Futures Program* (CFP).

Program Financial Resources,[63] 2014–15 (dollars)

Main Estimates	Planned Spending	Authorities	Actual Spending	Difference[64] (Actual Minus Planned)
38,816,648	38,816,648	46,333,260	55,328,034	16,511,386

[63] This chart includes grants and contributions expenditures, and operating expenditures.

[64] The difference of approximately $16.5M between actual and planned spending is attributable to the fact that, when the *RPP 2014–15* was released, the yearly budgets were not yet known for certain initiatives, including the *Economic Recovery Initiative for Lac Mégantic* and the *Strategic Initiative to Combat the Spruce Budworm Outbreak in Quebec*.

Program Human Resources[65] (Full-time Equivalents – FTEs)

Planned Resources	Actual Resources	Difference (Actual Minus Planned)
29	47	18

Program Performance Measurement, 2014–15

Program 1.3: Strengthening Community Economies			
Overall Results	**Performance**		
Number of projects supported[66] Number of Canada-wide programs and temporary initiatives implemented[67] Actual spending Share of CED's spending	237 projects 8 $48.5 million 23%		
Expected Final Result	**Performance Indicators**	**Three-year Targets**	**Cumulative Results**
Quebec communities have stronger economies	Value of total investment generated in communities:	$770.3M	$776.6M[68]
	• Community Futures Program	$744M	$730.4M
	• Linguistic Duality Economic Development Initiative 2013-2018	$6.8M	$6.9M
	• Canadian Economic Diversification Initiative for Communities Reliant on Chrysotile	$19.5M	$15.1M

65 The difference of 18 FTEs between actual and planned use is primarily attributable to the implementation of new initiatives which were not provided for in the *RPP 2014–15*.

66 The above result excludes projects associated with the *Infrastructure Modernization* sub-program.

67 The Canada-wide and temporary programs implemented by CED are: *Community Futures Program* (CFP), *Roadmap for Canada's Linguistic Duality Economic Development Initiative* (EDI), *Canadian Economic Diversification Initiative for Communities Reliant on Chrysotile*, *Economic Recovery Initiative for Lac Mégantic*, *Strategic Initiative to Combat the Spruce Budworm Outbreak in Quebec*, *Restoration Initiative for Watercourse Crossings on Forest Multi-use Roads in Wildlife Areas*, and *Local Investment Initiative*.

68 The overall result includes the results for the *Economic Recovery Initiative for Lac Mégantic* ($18.8M) and the *Local Investment Initiative* ($5.4M), for which no target had been set in 2014–15.

Performance Analysis and Lessons Learned

Under the *Strengthening Community Economies* program, CED attained most of its results targets as of March 2015. In 2014–15, it implemented targeted and/or temporary initiatives, as well as a Canada-wide initiative, and administered a fund for Infrastructure Canada.

CED's intervention to strengthen community economies generated total investment of $776.6 million.[69]

Through the *Community Futures Program*, CED provided 56 CFDCs and 10 BDCs with financial support. During FY 2014–15, it supported implementation of 1,463 projects involving investment totalling $730.4 million in the communities receiving assistance.

Through the Canada-wide EDI, CED contributed to stimulating the economic development of English-speaking communities (i.e., official language minority communities (OLMCs) in Quebec). In 2014–15, under this initiative, CED supported 12 projects involving $6.9 million in total investment in the communities backed, thus surpassing the planned performance target.

Under the *Canadian Economic Diversification Initiative for Communities Reliant on Chrysotile*, CED contributed to supporting the economic transition of communities in Des Appalaches and Des Sources regional county municipalities (RCMs), which are dependent on the chrysotile aluminum industry, toward the secondary and tertiary sectors. CED supported 18 projects, nine of which were completed in 2014–15, involving investment totalling $15.1 million in communities.

Under the *Economic Recovery Initiative for Lac Mégantic*, CED fostered that community's economic and commercial recovery by deploying a dedicated team in the field to accompany local stakeholders in their economic development efforts. CED supported 13 projects, five of which were completed in 2014–15, involving total investment of $18.8 million in the community.

Under the *Strategic Initiative to Combat the Spruce Budworm Outbreak in Quebec*, CED contributed to supporting the sustainability and dynamism of the forestry sector and the health of Canada's forests, which are vital to communities tied to that industry. This year, it invested $1.5 million in the *Société de protection des forêts contre les insectes et les maladies* (SOPFIM) to help control the spruce budworm infestation in the Bas-Saint-Laurent, Gaspésie and Côte-Nord regions.

Through its activities under the *Quebec Economic Development Program* (QEDP), CED also implemented two new initiatives to contribute to strengthening community economies:

[69] The above result is cumulative, and covers the period from 2012–13 to 2014–15. It excludes projects associated with the *Infrastructure Modernization* sub-program.

CED's support through the *Restoration Initiative for Watercourse Crossings on Forest Multi-use Roads in Wildlife Areas* helped encourage the restoration of watercourse crossings and ensure the improvement, rehabilitation and maintenance of these multi-use roads in wildlife areas. In 2014–15, $1.5 million was invested in project implementation through this Canada-Quebec Agreement.

CED also implemented the *Local Investment Initiative*. It funded projects to support local investment in all Quebec regions by encouraging the rehabilitation, upgrading or expansion of existing community halls, accessible to the public on a non-commercial basis. In 2014–15, CED supported 120 projects involving $5.4 million in total investment in communities.

2.4.1 Sub-program 1.3.1 – *Community Futures Program (CFP)*

Description

This sub-program (SP) is aimed at assisting local economic development in rural areas in order to strengthen the economy of Quebec communities. It implements a national program also called the *Community Futures Program* (CFP).

The CFP plays an important role in strengthening rural communities' ability to diversify their economic base so as to foster long-term prosperity and sustainability.

Through the CFP, CED encourages Quebec rural communities' planning and socioeconomic development, access to capital, availability of consulting services and support for local projects.

CED delivers the CFP in Quebec with the help of Community Futures Development Corporations and Business Development Centres, under contribution agreements.

Sub-program Financial Resources,[70] 2014–15 (dollars)

Planned Spending	Actual Spending	Difference (Actual vs. Planned)
30,367,433	29,819,011	-548,422

Sub-program Human Resources, 2014–15 (Full-time Equivalents – FTEs)

Planned Resources	Actual Resources	Difference (Actual vs. Planned)
10	12	2

[70] This chart includes grants and contributions expenditures, and operating expenditures.

Sub-program, Performance Measurement, 2014–15

Expected Result	Performance Indicators	Targets	Results
Sub-program 1.3.1: *Community Futures Program (CFP)*			
Communities are economically sustainable	Number of economic development initiatives implemented in communities following support to CFDCs	315	553
	Percentage of entrepreneurs undertaking pre-startup, startup or acquisition of an enterprise with support from CFDCs and BDCs	60%	69%
	Percentage of enterprises carrying out recovery, expansion or modernization projects with support from CFDCs and BDCs	73%	89%

Performance Analysis and Lessons Learned

The performance obtained in the *Community Futures Program* sub-program surpassed expectations in 2014–15. CED delivers the CFP in Quebec through Community Futures Development Corporations (CFDCs) and Business Development Centres (BDCs), under contribution agreements.

In 2014–15, CED provided financial support for 56 CFDCs located in designated rural regions, as well as 10 BDCs in peri-urban areas. During FY 2014–15, CED paid some $28.4 million to those organizations to help them carry out 1,463 projects to strengthen the economy of Quebec's rural communities.

Through the CFDCs, CED surpassed its results targets as of March 31, 2015. CFDCs implemented 553 economic development initiatives in communities, exceeding the target of 315 initiatives. With the assistance of CFDCs and BDCs, 69% of entrepreneurs supported carried out the pre-startup, startup or acquisition of an enterprise, while 89% of enterprises carried out their recovery, expansion or modernization projects.

The *Summative Evaluation of the Business Startup and Succession Fund and the Business Support Fund*[viii] performed in 2013–14 presented positive results as to the impact of the assistance provided to enterprises by the CFDCs, and revealed that not only did the two initiatives meet enterprises' funding needs, but that few if any similar offerings catered to the issues targeted by these initiatives. With a total budget envelope of $28.3 million, the Funds led to the creation of 139 jobs and the

maintenance of 685 jobs. Moreover, the sales figures of close to 75% of the enterprises sampled in the evaluation increased.

A study conducted by Statistics Canada[71] showed that enterprises supported by CFDCs perform better in terms of employment growth, survival rate, level of sales, and productivity, compared with a similar control group not receiving such support.

[71] Statistics Canada's third study on the CFP (2013).

2.4.2 Sub-program 1.3.2 – *Infrastructure Modernization*

Description

This sub-program (SP) is aimed at ensuring sound and effective management of infrastructure programs in order to strengthen the economy of Quebec's communities. Quality public infrastructure is a key factor in economic development.

CED acts as Infrastructure Canada's delivery partner for the administration in Quebec of the *Building Canada Fund* (*Communities* and *Large Urban Centres* components).[72]

These programs are the subject of agreements between Infrastructure Canada and the Quebec government and are aimed primarily at municipalities.

Sub-program Financial Resources,[73] 2014–15 (dollars)

Planned Spending	Actual Spending	Difference (Actual vs. Planned)
1,528,865	472,312	-1,056,553

Sub-program Human Resources,[74] 2014–15 (Full-time Equivalents – FTEs)

Planned Resources	Actual Resources	Difference (Actual vs. Planned)
14	5	-9

Sub-program, Performance Measurement, 2014–15

Expected Result	Performance Indicator	Target	Result
Sub-program 1.3.2: *Infrastructure Modernization*			
Quebec communities have upgraded public infrastructure	Number of communities that have at their disposal completed public infrastructure under the terms of the contribution agreement	---	---

72 CED is responsible for monitoring the use of funds on behalf of the federal government. It is also in charge of verifying project compliance with the standards set out in the signed Framework Agreements and program terms and conditions.

73 This chart includes operating expenditures only.

74 Actual use in FTEs for FY 2014–15 was similar to 2013–14 (4 FTEs) and to planned spending and FTE use as set out in the *RPP 2015–16*.

Performance Analysis and Lessons Learned
During FY 2014–15, CED continued to work with Infrastructure Canada under the *Infrastructure Modernization* sub-program to ensure the implementation in Quebec of the *Building Canada Fund* (*Communities* and *Large Urban Centres* components) so that Quebec communities have upgraded public infrastructure. Performance highlights with respect to the various infrastructure programs may be found in Infrastructure Canada's *Departmental Performance Reports*.[75]

[75] See Infrastructure Canada's website: www.infrastructure.gc.ca.

2.4.3 Sub-program 1.3.3 – *Targeted and/or Temporary Support*

Description

This sub-program (SP) is aimed at providing targeted and/or temporary support for Quebec communities' economic activity in order to stabilize or strengthen their economies. The shifting context requires a real-time response that is geared to the most pressing local needs and consistent with specific government priorities.

CED can thus provide support for Quebec communities facing economic shocks, natural disasters or situations that can have an adverse impact on their economic development, and that are facing serious economic development issues or are presented with development opportunities likely to have a positive impact on the regions.

This sub-program is aimed primarily at enterprises and NPOs. CED intervenes through temporary or dedicated additional funding from the Government of Canada or specific funds which the Agency allocates through a grants and contributions program, the QEDP.

Sub-program Financial Resources,[76] 2014–15 (dollars)

Planned Spending	Actual Spending	Difference[77] (Actual vs. Planned)
6,920,350	25,036,711	18,116,361

Sub-program Human Resources, 2014–15 (Full-time Equivalents – FTEs)

Planned Resources	Actual Resources	Difference[78] (Actual vs. Planned)
5	30	25

[76] This chart includes grants and contributions expenditures, and operating expenditures.

[77] The difference of approximately $18M is primarily attributable to the additional operating expenditures and grants and contributions expenditures for funding new projects and initiatives not provided for in the *RPP 2014–15*, such as the *Strategic Initiative to Combat the Spruce Budworm Outbreak in Quebec* (SICSBOQ) and the *Local Investment Initiative*.

[78] A resource allocation adjustment was carried out to leverage the necessary FTEs, in order to analyse principally projects leading to the upgrading of local facilities in line with local needs.

Sub-program Performance Measurement, 2014–15

Expected Result	Performance Indicators	Targets	Results
Sub-program 1.3.3: *Targeted and/or Temporary Support*			
Communities have temporary support available for stabilizing or strengthening their economies	Percentage of communities that benefit from temporary support, by initiative :[79]		
	• Linguistic Duality Economic Development Initiative 2013-2018	19%	23%
	• Canadian Economic Diversification Initiative for Communities Reliant on Chrysotile	100%	100%
	• Economic Recovery Initiative for Lac Mégantic	100%	100%

Performance Analysis and Lessons Learned

For 2014–15, the performance of the Targeted and/or Temporary Support sub-program met expectations. CED paid $20 million to support implementation of 166 projects within the framework of targeted and/or temporary initiatives to cater in real time to local needs, CED's priorities, and government priorities. In this way, it provided temporary support for economic activity in all the communities targeted in order to stabilize or strengthen their economies.

Linguistic Duality Economic Development Initiative (EDI) 2013–2018

The communities supported under EDI 2013–2018 are Quebec's English-speaking communities, i.e., official language minority communities (OLMCs).

- CED supported the implementation of 12 projects, to the tune of $1.7 million;
- Of the 62 OLMCs listed in Quebec, 14 communities received targeted support in 2014–15, or 23% of targeted communities.

[79] For further details concerning the Canada-wide EDI initiative, the two temporary initiatives and the CIIF, see CED's website: www.dec-ced.gc.ca/eng/programs/gedp/index.html.

Canadian Economic Diversification Initiative for Communities Reliant on Chrysotile

- Has a budget envelope of $50 million over seven years (2013–2020);
- Aims to accompany communities and businesses in Des Appalaches and Des Sources RCMs in their efforts to diversify and strengthen their economic base and thus increase their long-term growth potential; and
- In 2014–15, $3.9 million was invested by CED in 18 projects.

Economic Recovery Initiative for Lac Mégantic

- With a budget envelope of $35 million over seven years (2013–2020), it is divided into three components: rebuilding of the town; direct assistance to enterprises; and creation of two investment funds managed by the Mégantic-area CFDC;
- Aims to provide support for the economic recovery and rebuilding of the town in the aftermath of the rail accident of July 6, 2013;
- Deployment of a dedicated team in the field to accompany local stakeholders in their economic development efforts; and
- In 2014–15, $8.8 million was invested by CED in 13 projects.

Strategic Initiative to Combat the Spruce Budworm Outbreak in Quebec

- Has a $6-million envelope over four years (2014–2018);
- Is aimed at supporting the sustainability and dynamism of the forestry sector and the health of Canada's forests, which are vital to rural communities; and
- In 2014–15, CED invested $1.5 million in the *Société de protection des forêts contre les insectes et les maladies* (SOPFIM) to help control the spruce budworm infestation in the Bas-Saint-Laurent, Gaspésie and Côte-Nord regions.

Through its activities under the *Quebec Economic Development Program* (QEDP), CED also implemented two new initiatives to contribute to strengthening community economies:

Restoration Initiative for Watercourse Crossings on Forest Multi-use Roads in Wildlife Areas

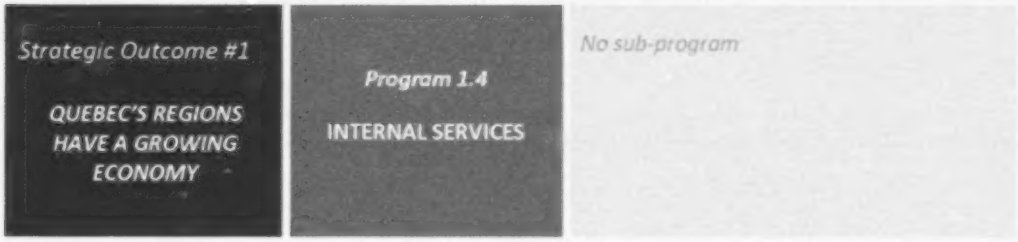
- CED funded projects aimed at encouraging the restoration of watercourse crossings damaged by weathering and severe storms, and ensuring the improvement, rehabilitation and maintenance of these multi-use roads in wildlife areas; and
- In 2014–15, $1.5 million was invested through this Canada-Quebec Agreement to fund projects.

Local Investment Initiative

- CED funded projects to support local investment in all Quebec regions by encouraging the rehabilitation, improvement or expansion of existing

community halls, accessible to the public on a non-commercial basis.
- In 2014–15, $2.2 million was invested by CED in 120 projects.

2.5 Program 1.4 – *Internal Services*



Description

Internal services are groups of related activities and resources that are administered to support the needs of programs and other corporate obligations of an organization. The groups are: Management and Oversight Services; Communications Services; Legal Services; Human Resources Management Services; Financial Management Services; Information Management Services; Information Technology Services; Real Property Management Services; Materiel Management Services; Acquisition Management Services; Travel Management Services and Other Administrative Services. Internal services include only those activities and resources that apply across an organization, and not those provided to a specific program. They lead to higher efficiency in program delivery, thus contributing to quality services for Canadians.

Program Financial Resources,[80] 2014–15 (dollars)

Estimates	Planned Spending	Authorities[81]	Actual Spending	Difference (Actual minus planned)
13,906,770	13,906,770	15,995,281	17,871,800	3,965,030

Program Human Resources,[82] 2014–15 (Full-time equivalents – FTEs)

Planned Resources	Actual Resources	Difference (Planned vs. actual)
120	127	7

[80] This chart includes operating expenditures only.

[81] Parliamentary authorities are awarded by global vote. So authorities by PAA program are estimates, and are presented as a guide only.

[82] The planned FTEs in the *Internal Services* program are broken down according to the definition of internal services provided by the Treasury Board Secretariat in the *Profile of Government of Canada Internal Services*. As agreed with the TBS, however, CED's *Management and Monitoring Services* group, as with Canada's other regional development agencies, excludes design and management of programs, policies, standards and guidelines, and government relations.

Performance Analysis and Lessons Learned
Actual use of human resources within the *Internal Services* program corresponds to the operational needs associated with that program. The difference observed from the forecast is particularly attributable to the continuation and accelerated implementation of modernization initiatives to support CED program delivery and contribute to providing Canadians with quality services

SECTION III: Supplementary Information

3.1 Financial Statements Highlights

The financial highlights presented below provide an overview of the financial position and operations of Canada Economic Development for Quebec Regions (CED). The unaudited financial statements are drawn up in accordance with government accounting policies, which are based on Canadian generally accepted accounting principles for the public sector.

Note that the spending presented in the tables in Sections I and II of the Report were prepared on a cash basis, while the financial highlights that follow were prepared on an accrual basis. Tables reconciling these two accounting methods are presented in the Notes to CED's financial statements.

A more detailed statement of operations and associated notes, including a reconciliation of the net costs of operations to the requested authorities, can be found on the CED website.[83]

[83] See CED's website: http://www.dec-ced.gc.ca/eng/publications/agency/dpr/2015-2016/325/index.html

3.1.1 Condensed Statement of Operations

Condensed Statement of Operations (unaudited) For the year ended March 31, 2015 (dollars)[ix]					
Financial Information	**2014–15 Planned Results**	**2014–15 Actual**	**2013–14 Actual**	**Difference (2014–15 actual minus 2014–15 planned)**	**Difference (2014–15 actual minus 2013–14 actual)**
Total expenses[x]	173,978,000	151,447,431	184,836,195	(22,530,569)	(33,388,764)
Total revenues	0	0	0	0	0
Net cost of operations before government funding and transfers	173,978,000	151,447,431	184,836,195	(22,530,569)	(33,388,764)

[x] Expenses reflect the economic resources used by CED during a period to deliver the programs in its Program Alignment Architecture (PAA), and are of two types: (i) transfer payments; and (ii) operating expenses. Expenses calculated in the context of the *Future-oriented Statement of Operations* (Section III) differ from those presented in sections I and II of the *Report on Plans and Priorities* (RPP), since unconditionally repayable contributions are not accounted for as loans, thus reducing total transfer payment expenses.

Expenses

- In 2014–15, CED's total expenses stood at $151.4 million, down $33.4 million (18.1%) from the previous year. This decrease is primarily attributable to the termination of funding for the Community Infrastructure Improvement Fund in 2013–14 and the increase in expenses incurred on the Government's behalf.
- In fact, transfer payment expenses, totalling $105.4 million, fell by 22.8% from 2013–14 to 2014–15, while operating expenses also declined, by 4.7%, to $46.0 million as of March 31, 2015.
- The difference of some $22.5 million in the value of net expenses is attributable in particular to a decline in non-repayable contributions compared with projected figures, and to higher-than-anticipated expenses incurred on the Government's behalf owing to a variation in the provision for bad debts. Expenses incurred on the Government's behalf reduce CED's expenses, since CED presents net expenses in its financial statements.

Revenues

- Being returned to the Consolidated Revenue Fund, CED's revenues are declared in its financial statements as having been earned on the Government's behalf, so the organization's total net revenues are zero. In 2014–15, CED's total gross revenues stood at $294,123, down 55.2% from the previous year. Revenues primarily comprise interest charged on missed payments.

3.1.2 Condensed Statement of Financial Position

Condensed Statement of Financial Position (unaudited) For the Year Ended March 31, 2015 (dollars)			
Financial Information	**2014–15**	**2013–14**	**Difference (2014–15 Minus 2013–14)**
Total net liabilites	35,554,488	33,572,155	1,982,333
Total net financial assets	32,317,420	30,396,774	1,920,646
Departmental net debt	3,237,068	3,175,381	61,687
Total non-financial assets	1,081,487	811,076	270,411
Departmental net financial position	(2,155,581)	(2,364,305)	208,724

Liabilities

- As of March 31, 2015, CED's net liabilities stood at $35.6 million, up 5.9% from the total in 2013–14. This increase is largely attributable to the rise in net accounts payable.
- Accounts payable and accrued liabilities represented the largest component of liabilities, at 90.9% ($32.3 million) of net total liabilities, while future fringe benefits along with vacation pay and compensatory leave accounted for 5.3% ($1.9 million) and 3.8% ($1.4 million) of the organization's net liabilities, respectively.

Assets

- As of March 31, 2015, net financial assets stood at $32.3 million, up 6.3% from the previous year's total. This rise is attributable to the increase in amounts due from the Consolidated Revenue Fund (fringe benefits and accrued liabilities).
- Also, CED's loans held entirely on behalf of the government totalled $283.8 million as of March 31, 2015, up 2.7% from 2013–14 owing to the increase in repayable contributions paid by the organization.
- Furthermore, CED's non-financial assets stood at $1.1 million as of March 31, 2015, up 33.3% from the previous year. This increase is primarily attributable to the rise in capital asset acquisitions.

3.2 Financial Statements

CED's unaudited financial statements for the fiscal year ending March 31, 2015 and the Core Control Audit report produced by the Office of the Comptroller General of Canada along with the related Management Action Plan are available on CED's website.[x]

3.3 Supplementary Information Tables

The supplementary information tables listed in the *Departmental Performance Report 2014–15* can be found on CED's website.[85]

- *Departmental Sustainable Development Strategy;*
- *Details on Transfer Payment Programs;*
- *Internal Audits and Evaluations;*
- *Response to Parliamentary Committees and External Audits;*
- *User Fees, Regulatory Charges and External Fees;*
- *Appendix 1 – Technical Notes on Performance Data.*

3.4 Tax Expenditures and Evaluations

The tax system can be used to achieve public policy objectives through the application of special measures, such as low tax rates, exemptions, deductions, deferrals and credits. The Department of Finance Canada publishes cost estimates and projections for these measures annually in *Tax Expenditures and Evaluations*.[xi] The tax measures presented in that publication are the sole responsibility of the Minister of Finance.

[85] See CED's website: http://www.dec-ced.gc.ca/eng/publications/agency/dpr/2014-2015/324/index.html#sectn_8

SECTION IV: Organizational Contact Information

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Additional Information

The following information may be found on CED's website:

CED Programs:
www.dec-ced.gc.ca/eng/programs/index.html

CED Organizational Chart:
www.dec-ced.gc.ca/eng/agency/chart/organizational.html

CED Business Offices:
www.dec-ced.gc.ca/eng/contact/offices/index.html

CED Project Submission Guide:
www.dec-ced.gc.ca/eng/programs/guide.html

Appendix: Definitions

Appropriation
Any authority of Parliament to pay money out of the Consolidated Revenue Fund.

Budgetary Expenditures: Include operating and capital expenditures; transfer payments to other levels of government, organizations or individuals; and payments to Crown corporations.

Departmental Performance Report: Reports on an appropriated organization's actual accomplishments against the plans, priorities and expected results set out in the corresponding Reports on Plans and Priorities. These reports are tabled in Parliament in the fall.

Full-time Equivalent: Is a measure of the extent to which an employee represents a full person-year charge against a departmental budget. Full-time equivalents are calculated as a ratio of assigned hours of work to scheduled hours of work. Scheduled hours of work are set out in collective agreements.

Government of Canada Outcomes: A set of 16 high-level objectives defined for the government as a whole, grouped in four spending areas: economic affairs, social affairs, international affairs and government affairs.

Management, Resources and Results Structure: A comprehensive framework that consists of an organization's inventory of programs, resources, results, performance indicators and governance information. Programs and results are depicted in their hierarchical relationship to each other and to the Strategic Outcome(s) to which they contribute. The Management, Resources and Results Structure is developed from the Program Alignment Architecture.

Non-Budgetary Expenditures: Include net outlays and receipts related to loans, investments and advances, which change the composition of the financial assets of the Government of Canada.

Performance: What an organization did with its resources to achieve its results, how well those results compare to what the organization intended to achieve and how well lessons learned have been identified.

Performance Indicator: A qualitative or quantitative means of measuring an output or outcome, with the intention of gauging the performance of an organization, program, policy or initiative respecting expected results.

Performance Reporting: The process of communicating evidence-based performance information. Performance reporting supports decision making, accountability and transparency.

Planned Spending: For Reports on Plans and Priorities (RPPs) and Departmental Performance Reports (DPRs), planned spending refers to those amounts that receive Treasury Board approval by February 1. Therefore, planned spending may include amounts incremental to planned expenditures presented in the Main Estimates. A department is expected to be aware of the authorities that it has sought and received. The determination of planned spending is a departmental responsibility, and departments must be able to defend the expenditure and accrual numbers presented in their RPPs and DPRs.

Plans: The articulation of strategic choices, which provides information on how an organization intends to achieve its priorities and associated results. Generally a plan will explain the logic behind the strategies chosen and tend to focus on actions that lead up to the expected result.

Priorities: Plans or projects that an organization has chosen to focus and report on during the planning period. Priorities represent the things that are most important or what must be done first to support the achievement of the desired Strategic Outcome(s).

Program: A group of related resource inputs and activities that are managed to meet specific needs and to achieve intended results and that are treated as a budgetary unit.

Program Alignment Architecture: A structured inventory of an organization's programs depicting the hierarchical relationship between programs and the Strategic Outcome(s) to which they contribute.

Report on Plans and Priorities: Provides information on the plans and expected performance of appropriated organizations over a three-year period. These reports are tabled in Parliament each spring.

Results: An external consequence attributed, in part, to an organization, policy, program or initiative. Results are not within the control of a single organization, policy, program or initiative; instead they are within the area of the organization's influence.

Statutory Expenditures: Expenditures that Parliament has approved through legislation other than appropriation acts. The legislation sets out the purpose of the expenditures and the terms and conditions under which they may be made.

Strategic Outcome: A long-term and enduring benefit to Canadians that is linked to the organization's mandate, vision and core functions.

Sunset Program: A time-limited program that does not have an ongoing funding and policy authority. When the program is set to expire, a decision must be made whether to continue the program. In the case of a renewal, the decision specifies the scope, funding level and duration.

Target: A measurable performance or success level that an organization, program or initiative plans to achieve within a specified time period. Targets can be either quantitative or qualitative.

Voted Expenditures: Expenditures that Parliament approves annually through an Appropriation Act. The Vote wording becomes the governing conditions under which these expenditures may be made.

Whole-of-Government Framework: Maps the financial contributions of federal organizations receiving appropriations by aligning their Programs to a set of 16 government-wide, high-level outcome areas, grouped under four spending areas.

Endnotes

i *Whole-of-Government Framework*:
www.tbs-sct.gc.ca/ppg-cpr/frame-cadre-eng.aspx.

ii *Public Accounts of Canada 2015*:
www.tpsgc-pwgsc.gc.ca/recgen/cpc-pac/index-eng.html.

iii Public Works and Government Services Canada website:
http://www.tpsgc-pwgsc.gc.ca.

iv Information on data sources, their processing and reliability is available in the supplementary tables on the CED website (See Appendix 1 – *Technical Notes on Performance Data*):
www.dec-ced.gc.ca/eng/publications/agency/rmr.html.

v Statistics Canada (2013), *Economic Impact Study from 2001 to 2010*:
www.dec-ced.gc.ca/eng/publications/agency/evaluation/2014/318/index.html.

vi Statistics Canada (2013), *Economic Impact Study from 2001 to 2010*:
www.dec-ced.gc.ca/eng/publications/agency/evaluation/2014/318/index.html.

vii: *Project to Implement the Eeyou Istchee Broadband Communications Network (ECN) Case Study*:
www.dec-ced.gc.ca/eng/publications/agency/evaluation/2015/317/index.html.

viii *Summative Evaluation of Initiatives: Startup and Succession and Business Support*:
www.dec-ced.gc.ca/eng/publications/agency/evaluation/2015/316/index.html.

ix *Future-oriented Financial Statements (Unaudited) As at March 31, 2014 and 2015*:
www.dec-ced.gc.ca/eng/publications/agency/rpp/2014-2015/302/index.html.

x CED's *Financial Statements*:
http://www.dec-ced.gc.ca/eng/publications/agency/dpr/2015-2016/325/index.html

xi. Government *of Canada Tax Expenditures and Evaluations:*
www.fin.gc.ca/purl/taxexp-eng.asp.